

(i) Be signed by the president or vice president of the borrower;

(ii) Contain information on the total amount of deferment requested for each specific project;

(iii) Contain information on the type of project and the length of deferment requested as defined in §1703.309; and

(iv) Specify which officer of the borrower has been given the authority to certify to those matters required in this section;

(2) Submit certification by the appropriate officer to the Administrator that the proposed project will not violate the limitations set forth in §1703.306 and disclose all information regarding any potential conflict of interest or appearance of a conflict of interest that would allow the Administrator to make an informed decision;

(3) Submit certification by the appropriate officer to the Administrator that an investment in the rural development project will be made by the borrower in an amount equal to the deferred debt service payment;

(4) Submit certification by the appropriate officer to the Administrator that the amount of the deferment will not exceed 50 percent of the total cost of the project for which the deferment is provided;

(5) Submit certification by the appropriate officer to the Administrator that it will make a cushion of credit payment necessary to satisfy the requirement of §1703.305(a);

(6) Submit certification by the appropriate officer to the Administrator that it will comply with §1703.313 and provide documentation showing that its total investments, including the proposed investment, will not exceed the investment limitations specified in 7 CFR part 1717, Subpart N, Investments, Loans and Guarantees by Electric Borrowers, or 7 CFR Part 1744, Post Loan Policies and Procedures Common to Guaranteed and Insured Loans. The documentation must provide a list of each rural development project the borrower has invested in to date, including the investment amounts;

(7) Submit to the Administrator written identification of the direct loan(s) and/or insured loan(s) for which payments are to be deferred;

(8) Submit to the Administrator a written narrative which contains information regarding the proposed rural development or job creation project such as the manner in which the project will promote community, business, or economic development in rural areas, the nature of the project, its location, the primary beneficiaries, and, if applicable, the number and type of jobs to be created; and

(9) Submit to the Administrator a letter of approval from the state regulatory authority, if applicable, granting its approval for the borrower to defer direct loan payment(s) and/or insured loan payment(s) and invest the amount in a rural development project.

(b) The Administrator reserves the right to determine that special circumstances require additional data from borrowers before acting on a deferment. The Administrator also reserves the right to require, as a condition of approving a loan payment deferment pursuant to this subpart, that the borrower execute and deliver any amendments or supplements to its loan documents that may be necessary or appropriate to achieve the purposes outlined in §1703.300.

(c) The Administrator will decide whether the borrower is eligible for the deferment and will notify the borrower of the decision.

§ 1703.312 RUS review requirements.

Borrowers shall ensure that funds are invested in the rural development project as approved by RUS. The Administrator reserves the right to review the books and copy records of borrowers receiving loan payment deferments as necessary to ensure that the investments in the rural development project are in accordance with this subpart and the representations and purposes stated in the borrower's completed application. If an audit discloses that the amount deferred was not used for the purposes stated in the completed application, the borrower shall be required to promptly repay the amount deferred and the benefits of the

§ 1703.313

deferment to the borrower will be recaptured by RUS. The borrower is responsible for ensuring that disbursements and expenditures of funds covering the investment in the rural development project are properly supported with certifications, invoices, contracts, bills of sale, cancelled checks, or any other forms of evidence determined appropriate by the Administrator and that such supporting material is available at the borrower's premises for review by the RUS field accountant, borrower's certified public accountant, the Office of Inspector General, the General Accounting Office and any other accountant conducting an audit of the borrower's financial statements for this rural development program.

§ 1703.313 Compliance with other regulations.

(a) Investments in a rural economic development project made by an electric borrower under this subpart are subject to the provisions of 7 CFR part 1717, Subpart N, Investments, Loans and Guarantees by Electric Borrowers.

(b) Investments in a rural economic development project made by a telephone borrower under this subpart are subject to the provisions of 7 CFR Part 1744, Post Loan Policies and Procedures Common to Guaranteed and Insured Loans.

PART 1709—ASSISTANCE TO HIGH ENERGY COST COMMUNITIES

Subpart A—General Requirements

Sec.

- 1709.1 Purpose.
- 1709.2 Policy. [Reserved]
- 1709.3 Definitions.
- 1709.4 Allocation of available funds among programs.
- 1709.5 Determination of energy cost benchmarks.
- 1709.6 Appeals.
- 1709.7 Applicant eligibility.
- 1709.8 Electronic submission.
- 1709.9 Grant awards and advance of funds.
- 1709.10 Ineligible grant purposes.
- 1709.11 Award conditions.
- 1709.12 Reporting requirements.
- 1709.13 Grant administration.
- 1709.14 Inspections.
- 1709.15 Grant close out.
- 1709.16 Performance reviews.
- 1709.17 Environmental review.

7 CFR Ch. XVII (1–1–07 Edition)

- 1709.18 Civil rights.
- 1709.19 Other USDA regulations.
- 1709.20 Member delegate clause.
- 1709.21 Audit requirements.
- 1709.22 Project changes.
- 1709.23–1709.99 [Reserved]
- 1709.100 OMB control number.

Subpart B—RUS High Cost Energy Grant Program

- 1709.101 Purpose.
- 1709.102 Policy.
- 1709.103–1709.105 [Reserved]
- 1709.106 Eligible applicants.
- 1709.107 Eligible communities.
- 1709.108 Supporting data for determining community eligibility.
- 1709.109 Eligible projects.
- 1709.110 Use of grant funds.
- 1709.111 Limitations on use of grant funds.
- 1709.112 Ineligible grant purposes.
- 1709.113 Limitations on grant awards.
- 1709.114 Application process.
- 1709.115 Availability of application materials.
- 1709.116 Application package.
- 1709.117 Application requirements.
- 1709.118 Submission of applications.
- 1709.119 Review of applications.
- 1709.120 Evaluation of applications.
- 1709.121 Administrator's review and selection of grant awards.
- 1709.122 Consideration of eligible grant applications under later grant announcements.
- 1709.123 Evaluation criteria and weights.
- 1709.124 Grant award procedures.
- 1709.125–1709.200 [Reserved]

Subpart C—Bulk Fuel Revolving Fund Grant Program

- 1709.201 Purpose.
- 1709.202 Policy. [Reserved]
- 1709.203 Definitions.
- 1709.204–1709.206 [Reserved]
- 1709.207 Eligible applicants.
- 1709.208 Use of grant funds.
- 1709.209 Limitations on use of grant funds.
- 1709.210 Application process.
- 1709.211 Submission of applications.
- 1709.212 Application review.
- 1709.213 Evaluation of applications.
- 1709.214 Administrator's review and selection of grant awards.
- 1709.215 Consideration of unfunded applications under later grant announcements.
- 1709.216 Evaluation criteria and weights.
- 1709.217 Grant award.
- 1709.218–1709.300 [Reserved]

Subparts D–F [Reserved]

Subpart G—Recovery of Financial Assistance Used for Unauthorized Purposes

- 1709.601 Policy.